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Supreme Court of the United States

October Term 1978

FEED SERVICE CORPORATION,

Petitioner,

KENT FEET'S, INC., and GRAIN PROCESSING
CORPORATION,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

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**PETITION FOR A WRIT OF CERTIORARI TO THE
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FOR THE SEVENTH CIRCUIT**

The Petitioner, Feed Service Corporation, respectfully prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit, entered in this proceeding on January 5, 1976.

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Seventh Circuit for which review is sought, *Feed Service Corporation v. Kent Feeds, Inc., and Grain Processing Corporation* is reported at 528 F. 2d 756 (7th Cir. 1976) (Decided and entered January 5, 1976) appears at Appendix A, pages 1-21.

The opinion of the United States District Court for the Northern District of Illinois, Eastern Div. *Feed Service Corporation v. Kent Feeds, Inc., et al.* (No official report) 185 USPQ 745 (Feb. 26, 1975) appears at Appendix B, pages 23-48.

Denial of Petition for Rehearing in *Feed Service Corporation v. Kent Feeds, Inc., and Grain Processing Corporation* (not reported) entered March 19, 1976, appears at Appendix C, pages 49-50.

JURISDICTION

This case is a patent infringement case decided and entered by the United States Court of Appeals of the Seventh Circuit on January 5, 1976, attached hereto in Appendix A. A timely petition for rehearing was denied March 19, 1976, attached hereto in Appendix C.

The jurisdiction of this Court is invoked under 28 U.S.C. 1254 (1) (1970). The pertinent portions of 28 U.S.C. 1254 (1) are:

1254. Courts of appeals; certiorari; appeal; certified questions

Cases in the courts of appeals may be reviewed by the Supreme Court by the following methods:

(1) By writ of certiorari granted upon the petition of any party to any civil or criminal case, before or after rendition of judgment or decree;

* * *

QUESTIONS PRESENTED FOR REVIEW

1. Is it proper for the Court to narrow the scope of composition-of-matter claims of a patent from a literal

reading to a reading that excludes compositions in which an essential ingredient, in this case ethyl alcohol, is provided, not by its addition per se, but by a process of nature, in this case as a component of another substance, a specially fermented molasses?

2. Is it proper for a Court to determine infringement of a process claim for preparing a feedstuff without:

(a) first considering the question of direct infringement by attempting to read the claims literally on the accused method; and then

(b) considering if the method claims are infringed under the doctrine of equivalents using the test prescribed for mechanical devices in *Graver Tank & Mfg. Co. Inc. v. Linde Air Products Co.*, 339 U.S. 605 (1950) and determining if the steps perform the same function in the same way for the same purpose?

THE STATUTE INVOLVED

Public Law 593, 82d Cong., 2d sess., ch. 950; 66 Stat. 792, Title 35 U.S.C. 101 and Title 35 U.S.C. 271.

35 U.S.C. 101 Inventions Patentable

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."

* * *

35 U.S.C. 271 Infringement of Patent

"(a) Except as otherwise provided in this title, whoever without authority makes, uses or sells any patented invention, within the United States during the term of the patent therefor, infringes the patent."

* * *

STATEMENT OF THE CASE

I. Summary

The District Court found all of the claims in the patent in suit valid (conclusion of law 4, Appendix D) and infringed (conclusion of law 5, Appendix D) and found that the infringement was done knowingly, willfully and wantonly (conclusion of law 6, Appendix D).

It also found that:

(1) illustrative claims 11 and 16, which are composition-of-matter claims, are literally readable on defendants' accused compositions (findings of fact 41-45, Appendix D);

(2) the invention came into being when the inventors conceived of the combination of ethyl alcohol and a synthetic nitrogen source in a feed supplement (finding of fact 10, Appendix D);

(3) the invention was bottomed on the conjoint use of synthetic-nitrogen substances, e.g., urea, and ethanol, in a ratio such that cattle co-fed with it have the ability to retain more nitrogen (finding of fact 16, Appendix D);

(4) none of the references disclosed or rendered obvious the conjoint use of synthetic nitrogen substances, such as urea, and ethanol (finding of fact 62, Appendix D); and

(5) the patented feed supplement brought about unexpected results despite the fact that each of the ingredients ethanol and urea were used separately in prior feed supplements or disclosed in prior publications (findings of fact 86, Appendix D).

The Court of Appeals sustained the District Court's finding of validity and reversed the District Court's holding of infringement, holding as to infringement:

"We do not read the claims in suit to be broad enough to cover all feed supplements containing urea and ethanol no matter how the alcohol is obtained. We read the claims to teach the use of alcohol in its liquid form and not the use of alcohol derived in a fermentation process of molasses or from other fermented sources."

* * *

"Defendants do not *add* alcohol to their feed supplements and plaintiff does not charge them with that. The charge of infringement is based on the use by defendants of fermented molasses which provides the alcohol in question as a natural occurring event. We have concluded that the patent in suit is limited to the teaching of the *addition* of alcohol in feed supplements."

* * *

"In view of our holding of noninfringement, we do not reach the question of the award of treble damages and attorneys' fees."

* * *

II. The Action and Jurisdiction

This action was brought by the petitioner herein in the United States District Court for the Northern District of Illinois for infringement of U. S. patent 2,808,332. The defendants, respondents herein, counterclaimed for a declaration of invalidity, noninfringement and unenforceability of the patent in suit. Jurisdiction and venue of the Court of first instance were invoked under Sections 1338(a), 1400(b), 1694 and 2201 of Title 28 U.S.C. and Sections 271, 281, 283, 284, and 285 of Title 35 U.S.C.

The subjects in controversy were feed supplements made and sold by the respondents. Practically speaking, the defendants' feed supplements are for cattle as are the various feed supplements referred to in the patent specification and claims of the patent in suit.

The suit was originally filed in May, 1972, in the Western Division of the Northern District of Illinois and transferred in April, 1973, to the Eastern Division of the Northern District of Illinois. A draft Final Pretrial Order was submitted to the District Court on May 31, 1974, and entered June 3, 1974.

III. The Trial, Judgment, Findings of Fact and Conclusions of Law

On December 10, 1974, the Court below entered judgment for Feed Service Corporation and directed the parties to submit proposed findings of fact and conclusions of law within ten days. This period was later extended by the Court to expire February 7, 1975.

Feed Service Corporation submitted proposed findings and conclusions on February 7, 1975. On February 26, 1975, the District Court entered its findings of fact and conclusions of law and a judgment order. Selected findings of fact and conclusions of law are attached as Appendix D.

IV. Appeal to Circuit Court

Notices of Appeal were filed by Kent et al on December 20, 1974, and February 27, 1975. The record on appeal was transmitted on February 28, 1975. On March 24, 1975, the two appeals were ordered by the United States

Circuit Court of Appeals for the 7th Circuit to be consolidated. The case on appeal was argued on October 21, 1975, before the United States Court of Appeals for the 7th Circuit. It was decided and entered on January 5, 1976. A motion to extend the time for filing a petition for rehearing to February 2, 1976, was granted on January 12, 1976. A timely petition for rehearing was denied March 19, 1976.

V. Holding of Circuit Court

The Court of Appeals found that the patent in suit is valid as to all of its claims. The Court of Appeals also held that the Trial Court did not prejudicially err in finding that there was no lack of candor in the plaintiff's dealing with the Patent Office.

On the question of infringement which is before the United States Supreme Court for review, the Court held that the Trial Court erred in finding the defendants infringed the patent in suit and failed to reach the question of the award of treble damages and attorneys' fees. In holding noninfringement, the Court of Appeals pointed out that the accused product:

"... is a fermented molasses product whose ingredients are fermented molasses, cane (blackstrap) molasses, corn distillers solubles, corn steep water, ammonium, polyphosphate, urea, ammonium sulphate and salt. In making Bovino, cane molasses is fermented through the addition of yeast and heat to produce an end product containing alcohol and molasses fermentation solubles."

* * *

"The fact that the fermentation process of the blackstrap molasses converts virtually all of the sugar in the molasses to alcohol and then is followed by

the other additives, including urea, gives rise to the basic claim of infringement.”

* * *

“We do not read the claims in suit to be broad enough to cover all feed supplements containing urea and ethanol no matter how the alcohol is obtained. We read the claims to teach the use of alcohol in its liquid form and not the use of alcohol derived in a fermentation process of molasses or from other fermented sources. Although plaintiff strenuously argues to the contrary, we incline to the more narrow view that the '332 patent in suit covers the *addition* of alcohol as such to its claimed combination. We cannot say that its monopoly extends to the mere presence of alcohol resulting from a molasses fermentation process.”

* * *

“Certain things have become crystal clear to us at this time. In our considered judgment the plaintiff is limited to a narrow construction of the patent in suit. Defendants do not *add* alcohol to their feed supplements and plaintiff does not charge them with that. The charge of infringement is based on the use by defendants of fermented molasses which provides the alcohol in question as the natural occurring event. We have concluded that the patent in suit is limited to the teaching of the *addition* of alcohol in feed supplements. The fact that the defendants' Bovino product may reach the same result as plaintiff's Morea is not conclusive of the determination of infringement.”

* * *

VI. Typical Claims

Typical process claims which were held valid and infringed by the Trial Court and valid but not infringed by the Circuit Court of Appeals are:

“1. The improvement in the preparation of a feed

for ruminants, which comprises incorporating in a feed for ruminants a source of synthetic nitrogen and an amount of ethanol effective to increase the nitrogen-retention ability of the ruminants.

4. The improvement in the preparation of a feed for ruminants, which comprises incorporating in a feed for ruminants a source of nonproteinaceous nitrogen, molasses and an amount of ethanol effective to increase the nitrogen-retention ability of the ruminants.

6. The improvement in the preparation of a feed for ruminants, which comprises incorporating in a feed for ruminants urea, phosphoric acid, molasses, vitamins and an amount of ethanol effective to increase the nitrogen-retention ability of the ruminants.”

Typical compositions of matter claims are claims 11 and 16 as follows:

“11. A feed supplement for ruminants comprising urea and ethanol in an amount effective to increase the nitrogen-retention ability of ruminants, said amount being from about one to twelve parts by weight per ten parts by weight of urea.

16. A feed supplement for ruminants comprising urea, phosphoric acid, molasses and ethanol in an amount effective to increase nitrogen-retention ability of ruminants.”

REASONS FOR ALLOWANCE OF WRIT

I.

First question - excluding from the coverage of the composition of matter claims, compositions of matter upon which the claims of the patent are readable but in which one ingredient is formed by a process of nature.

A. Important Federal Question—Scope of Claims Affecting Food

The limitation of the composition of matter claims in this case is an important federal question, not yet decided by this Court, affecting the scope of the patent monopoly in the vital area of the production of food.

In all developments of novel food products whether feed for animals or food for humans, all ingredients are obtained from one or another natural resource. Some resources require refinement before the ingredient obtained can be incorporated in the final foodstuff. Other resources for the same ingredient require little or no refinement. Alternate resources are frequently known in the art and the choice of resources is made on economic grounds.

For example, ethyl alcohol (ethanol), can be obtained from crude oil, by refining it to ethylene and hydrating the ethylene to ethanol or it may be obtained by properly controlled fermentation of natural carbohydrates such as molasses. The properties of the ethanol are the same. Both may be edible. They differ only in their genesis and purity.

This situation can occur with compositions of matter that are not foods but is particularly common with foods. It is common with foods because all foods are organic and originate with processes of nature.

The question of the scope of the patent monopoly concerning foods is significant enough, so that while the U. S. Patent Statutes do not single such compositions of matter out for special treatment nor has the United States Supreme Court decided that such claims require special treat-

ment, other countries do restrict patent protection concerning food. For example, Brazil does not grant patents for processes of preparing food or for foods, and for this reason, there is no counterpart of this U. S. patent in Brazil. (Transcript of trial, page 34 and plaintiff's answer to defendants' interrogatory 18 . . . Appendix E). Other countries permit process claims but not composition claims on feedstuffs.

A limitation of the scope of composition of matter claims to exclude those in which one ingredient is derived from a process of nature will permit a partial patent monopoly on new food products, leaving versions using the natural ingredient to the public.

In deciding the question presented here this Court will decide whether infringement should be limited to the exact process disclosed in the specification, thus leaving the use of more primitive raw sources to the public, free from the patent monopoly.

B. Conflict With Cases Decided by U. S. Supreme Court.

The Circuit Court in this case has decided an important question of federal law in a manner that conflicts with other cases decided by this Court. Moreover, the question of federal law affects: (1) the enforcement of patents; (2) the ability of the public to know with some certainty the scope of patent monopolies so as to know what it is free to do and what is forbidden; and (3) the value of patents.

The general test for infringement is stated in *Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co.*, 339 U.S. 605 (1950) at page 607 as follows:

"In determining whether an accused device or composition infringes a valid patent, resort must be had in the first instance to the words of the claim. If the accused matter falls clearly within the claim, infringement is made out and that is the end of it."

* * *

The decision of the Court of Appeals held that composition of matter claims directed to a feed supplement containing urea and ethanol did not cover a feed supplement containing urea and ethanol if the ethanol was not added per se but incorporated as a component of a specially fermented molasses. The Court of Appeals in this decision limited the composition of matter claims to be dependent on the process by which one of the ingredients was incorporated in the composition even though the words of the claim were not so limited.

It has long been held by this Court that the claims of a patent are the measure of the right to relief of the patentee. *White v. Dunbar*, 119 U.S. 47 (1886). Indeed, in *White v. Dunbar* cited in both the appellant's briefs in the Court below the following language expresses this requirement:

"Some persons seem to suppose that a claim in a patent is like a nose of wax which may be turned and twisted in any direction, by merely referring to the specification so as to make it include something more than, or something different from, what its words express. The context may, undoubtedly, be resorted to and often is resorted to, for the purpose of better understanding the meaning of the claim but not for the purpose of changing it, and making it different from what it is."

* * *

The Court should now decide if claims directed to food products require a different rule.

C. Uncertainties in Patent System Created by Decision of Court of Appeals.

To the extent that the rule of law laid down by the Supreme Court for testing for infringement is changed by the holding of the Court of Appeals, the uncertainties of the patent system are increased. Claims are used as a guide so that persons may know the extent of the existing monopoly and thus avoid uncertainties in continuing their own legitimate business; and ill defined rules for infringement from the Courts frustrate the purpose of claims.

II.

Error to not first consider direct infringement then contributory infringement of method claims.

A. Decision in Conflict With Applicable Decisions of U. S. Supreme Court.

The applicable decisions of the United States Supreme Court such as the *Graver Tank* case (supra) established a procedure for determining infringement that satisfies the need for reasonable certainty in determining the scope of the monopoly and yet preventing injustice. That procedure was not followed by the Court of Appeals in this case and the decision by the Court of Appeals is in conflict with the decision of the U. S. Supreme Court.

B. Established Test for Infringement for Apparatus Invention.

The proper procedure for handling the question of infringement for apparatus inventions was considered by this Court in 1950 and decided in the case of *Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co.*, 339 U.S. 605 (1950). Under that test, the Court first considers the

question of direct infringement and then the doctrine of equivalents. The Supreme Court held in that case at page 607:

"In determining whether an accused device or composition infringes a valid patent, resort must be had in the first instance to the words of the claim. If accused matter falls clearly within the claim, infringement is made out and that is the end of it."

* * *

"But Courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and unclear thing . . .

The doctrine of equivalents evolved in response to this experience . . . a patentee may invoke this doctrine to proceed against the producer of a device 'if it performs substantially the same function in substantially the same way to obtain the same result.' *Sanitary Refrigerator Co. v. Winters*, 280 U.S. 30, 42. The theory on which it is founded is that 'if two devices do the same work in substantially the same way, and accomplish substantially the same result, they are the same, even though they differ in name, form, or shape.' *Machine Co. v. Murphy*, 97 U.S. 120, 125. The doctrine operates not only in favor of the patentee of a pioneer or primary invention, but also for the patentee of a secondary invention consisting of a combination of old ingredients which produce new and useful results, *Imhaeuser v. Buerk*, 101 U.S. 647, 655, although the area of equivalence may vary under the circumstances. See *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 21 U.S. 405, 414-415, and cases cited; *Seymour v. Osborne*, 11 Wall. 516, 556; *Gould v. Rees*, 15 Wall. 187, 192."

* * *

C. Extension to Method Claims.

Typical method claims of the patent in suit are claims 1 and 5 as follows:

"1. The improvement in the preparation of the feed for ruminants which comprises incorporating in a feed for ruminants a source of synthetic nitrogen and an amount of ethanol effective to increase the nitrogen-retention ability of the ruminants.

5. The improvement in the preparation of the feed for ruminants which comprises incorporating in a feed for ruminants urea, phosphoric acid, molasses, and an amount of ethanol effective to increase the nitrogen-retention ability of the ruminants."

The District Court found these claims valid and infringed. These claims call for the step of "incorporating" both ethanol and a synthetic nitrogen source such as urea in feedstuff. The findings of fact hold that a synergistic effect is obtained from the combination of the ethanol and the synthetic nitrogen source which improves nitrogen-retention of the animals.

The Circuit Court of Appeals held that the claims should be restricted to only compositions in which ethanol in its liquid form was added per se and should not include the accused process in which the alcohol is derived in the fermentation of molasses or from other fermented sources.

Applying the test for direct infringement stated in the *Graver Tank* case, the question is whether the words incorporate ethanol and urea, are readable on a process in which the ethanol is formed by fermentation of molasses and then the urea is added to it.

The Circuit Court apparently believed that the words

"incorporating ethanol and urea" could not be directly read on the process. With such a conclusion, the doctrine of equivalents still could have been applied to the method claims in a manner analogous to the way it was applied to apparatus claims in the *Graver Tank* case to determine if that step performs the same function, in the same way, for the same purpose. The Circuit Court of Appeals did not apply this test.

III.

CONCLUSION

This Court should decide if composition-of-matter claims should exclude compositions including an ingredient made by a process of nature: (1) to settle the manner in which the scope of patent monopolies covering food are to be determined by the Courts; (2) to resolve the conflict between the decision of the Court of Appeals and this Court concerning the proper test for infringement; and (3) to remove uncertainties in the application of the patent law in determining the scope of patent monopolies of foods.

This Court should consider if the Circuit Court of Appeals erred in holding the method claims not to be infringed by the accused method without first considering the question of direct infringement and then the question of the doctrine of equivalents under *Graver Tank & Mfg. Co. Inc. v. Linde Air Products Co.*, 339 U.S. 605 (1950). The decision of the Court of Appeals is in conflict with the decisions of the United States Supreme Court in this respect and will create uncertainties in the application of the law to patent infringement cases by the lower courts and uncertainties on the part of the public in determining what they may do without infringing a patent.